

## **REMARKS**

### **Overview**

This amendment accompanies a request for continued examination. Claims 1-29 are pending in the present application. None of the claims stand rejected based on lack of novelty. The sole basis for rejection is obviousness.

It is respectfully submitted that Applicants' claims are not shown to be obvious by the teachings of the cited references. Therefore reconsideration is respectfully requested.

### **Rejections under 35 U.S.C. §103 for Obviousness**

**Claims 1-13, 18-20, 25, and 29 stand rejected as obvious over Commodity Trading Manual ("Manual") in view of Walker U.S. Patent 5,794,207 ("Walker"). This rejection is respectfully traversed.**

The latest Office Action takes the position that each and every limitation of independent claim 1 is taught by either the Manual or Walker, except that the Manual does not "expressly disclose a web server for buyers and sellers to create a contract on the Internet." At the Office Action pages 3-4, each limitation of Applicants' claim 1 is paraphrased, and citations to the Manual and Walker are given (except regarding the Manual and a web server).

While it is not agreed that the cited references teach each of limitations of claim 1, it is respectfully submitted that this highlights why the references do not present a prima facie case of obviousness of Applicant's claim 1.

A *prima facie* showing of obviousness can not be made out by dissecting the claim into individual limitations. The statute instructs that obviousness must be analyzed in terms of the claimed "subject matter as a whole" (35 U.S.C. §103). Moreover, the analysis must be from the

viewpoint of "at the time the invention was made" (as opposed to now) and relative to the knowledge and perspective of "a person having ordinary skill in the art to which said subject matter pertains." *Id. (emphasis added)*.

Claim 1 defines, as a whole, a new way of trying to form agricultural production contracts. It is a combination of method steps that do not "live" alone, but are interdependent on one another to define the claimed invention as a whole.

Claim 1 as a whole does not define anything like the live exchange commodities trading of the Manual. Such a live exchange is trading units of value through brokers.

Claim 1 as a whole does not define application of a conditional purchase offer (CPO) paradigm as in Walker to formation of agricultural production contracts.

The point is that Applicants' claim 1, as a whole, is nowhere taught or suggested by the different concepts of the Manual and Walker. They teach away from the same.

As set forth in prior responses, which are incorporated by reference herein, the Manual is admitted by the Office Action not to include all limitations of Applicants' claim 1. But moreover, it relates to a different method. It "exchanges" financial instruments in a market setting. It does not work towards a highly flexible, adjustable way to work towards a final agricultural production contract, with all its different terms.

Walker does not fill the missing gaps of the Manual simply by pointing to its implementation on the Internet. It goes in a different direction than the Manual, and Applicants' claim 1. It intentionally adopts the CPO method so that one party can unilaterally accept the CPO legal offer tender on the internet.

The differences between the Manual and/or Walker and Applicants' claim 1 have been discussed in detail in Applicants' prior responses, which are incorporated by reference herein. It

is respectfully submitted that there is a lack of showing of Applicants' claimed invention as a whole, which precludes even a prima facie case of obviousness of claim 1.

The MPEP also instructs that it is improper to dissect a claim in evaluating obviousness:

#### **2141.02 Differences Between Prior Art and Claimed Invention [R-5]**

Ascertaining the differences between the prior art and the claims at issue requires interpreting the claim language, and considering both the invention and the prior art references as a whole. See MPEP § 2111 - § 2116.01 for case law pertaining to claim interpretation.

#### **I. THE CLAIMED INVENTION AS A WHOLE MUST BE CONSIDERED**

In determining the differences between the prior art and the claims, the question under **35 U.S.C. 103** is not whether the differences themselves would have been obvious, but whether the claimed invention as a whole would have been obvious. *Stratoflex, Inc. v. Aeroquip Corp.*, 713 F.2d 1530, 218 USPQ 871 (Fed. Cir. 1983); *Schenck v. Nortron Corp.*, 713 F.2d 782, 218 USPQ 698 (Fed. Cir. 1983) (Claims were directed to a vibratory testing machine (a hard-bearing wheel balancer) comprising a holding structure, a base structure, and a supporting means which form "a single integral and gaplessly continuous piece." Nortron argued the invention is just making integral what had been made in four bolted pieces, improperly limiting the focus to a structural difference from the prior art and failing to consider the invention as a whole. The prior art perceived a need for mechanisms to dampen resonance, whereas the inventor eliminated the need for dampening via the one-piece gapless support structure. "Because that insight was contrary to the understandings and expectations of the art, the structure effectuating it would not have been obvious to those skilled in the art." 713 F.2d at 785, 218 USPQ at 700 (citations omitted).).

See also *In re Hirao*, 535 F.2d 67, 190 USPQ 15 (CCPA 1976) (Claims were directed to a three step process for preparing sweetened foods and drinks. The first two steps were directed to a process of producing high purity maltose (the sweetener), and the third was directed to adding the maltose to foods and drinks. The parties agreed that the first two steps were unobvious but formed a known product and the third step was obvious. The Solicitor argued the preamble was directed to a process for preparing foods and drinks sweetened mildly and thus the specific method of making the high purity maltose (the first two steps in the claimed process) should not be given weight, analogizing with product-by-process claims. The court held "due to the admitted unobviousness of the first two steps of the claimed combination of steps, the subject matter as a whole would not have been obvious to one of ordinary skill in the art at the time the

invention was made." 535 F.2d at 69, 190 USPQ at 17 (emphasis in original). The preamble only recited the purpose of the process and did not limit the body of the claim. Therefore, the claimed process was a three step process, not the product formed by two steps of the process or the third step of using that product.).

## **II. DISTILLING THE INVENTION DOWN TO A "GIST" OR "THRUST" OF AN INVENTION DISREGARDS "AS A WHOLE" REQUIREMENT**

Distilling an invention down to the "gist" or "thrust" of an invention disregards the requirement of analyzing the subject matter "as a whole." *W.L. Gore & Associates, Inc. v. Garlock, Inc.*, 721 F.2d 1540, 220 USPQ 303 (Fed. Cir. 1983), *cert. denied*, 469 U.S. 851 (1984) (restricting consideration of the claims to a 10% per second rate of stretching of unsintered PTFE and disregarding other limitations resulted in treating claims as though they read differently than allowed); *Bausch & Lomb v. Barnes-Hind/Hydrocurve, Inc.*, 796 F.2d 443, 447-49, 230 USPQ 416, 419-20 (Fed. Cir. 1986), *cert. denied*, 484 U.S. 823 (1987) (District court focused on the "concept of forming ridgeless depressions having smooth rounded edges using a laser beam to vaporize the material," but "disregarded express limitations that the product be an ophthalmic lens formed of a transparent cross-linked polymer and that the laser marks be surrounded by a smooth surface of unsublimated polymer."). See also *Jones v. Hardy*, 727 F.2d 1524, 1530, 220 USPQ 1021, 1026 (Fed. Cir. 1984) ("treating the advantage as the invention disregards statutory requirement that the invention be viewed 'as a whole'"); *Panduit Corp. v. Dennison Mfg. Co.*, 810 F.2d 1561, 1 USPQ2d 1593 (Fed. Cir.), *cert. denied*, 481 U.S. 1052 (1987) (district court improperly distilled claims down to a one word solution to a problem).

Therefore, it is respectfully submitted that Applicants' claim 1, as well as all other claims under this rejection are allowable. A comparison of Applicants' claims as a whole to the teachings of the cited references as a whole (also required), does not support a finding that at the time of the invention the claimed subject matter as a whole would have been obvious to one of ordinary skill in the art.

**Claims 14, 15, and 17 stand rejected as obvious over Walker in view of what the Office Action calls "Official Notice". This rejection is respectfully traversed.**

Applicant does not agree with the "Official Notice". Notwithstanding the same, these claims are dependent on independent claim 13 and are believed to be allowable for at least the reasons discussed with regard to claim 1.

**Claims 16 and 26-28 stand rejected as obvious over the Manual in view of Walker U.S. Patent 6,553,346 ("Walker-1"). This rejection is respectfully traversed.**

These claims are believed to be allowable for at least the reasons discussed with regard to claim 1. Walker-1 does not fill the missing gaps or remedy the missing teaching or suggestion of Applicants' claims relative to the Manual.

**Claims 21-23 stand rejected as obvious over the Manual in view of Walker and further in view of Lindsey U.S. Patent 5,285,383 ("Lindsey"). This rejection is respectfully traversed.**

These claims are believed to be allowable for at least the reasons discussed with regard to claim 1. Lindsey does not fill the missing gaps or remedy the missing teaching or suggestion of Applicants' claims relative to the Manual and Walker.

**Claim 24 stands rejected as obvious over Manual in view of Walker and further in view of Smith U.S. Patent 5,963,952 ("Smith"). This rejection is respectfully traversed.**

These claims are believed to be allowable for at least the reasons discussed with regard to claim 1. Smith does not fill the missing gaps or remedy the missing teaching or suggestion of Applicants' claims relative to the Manual and Walker.

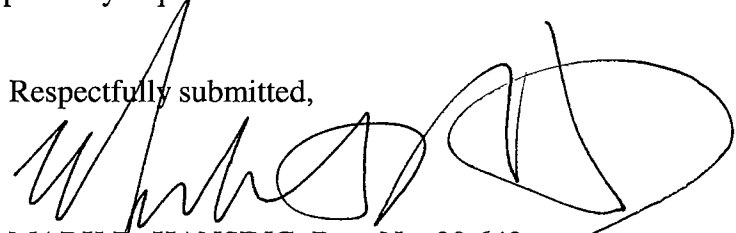
## **Conclusion**

It is believed this remedies all matters in the Office Action and places the application in form for allowance.

This amendment accompanies the filing of a Request for Continued Examination (RCE). Please charge Deposit Account No. 26-0084 the amount of \$405.00 (small) for the RCE per the attached transmittal. No other fees or extensions of time are believed to be due in connection with this amendment; however, consider this a request for any extension inadvertently omitted, and charge any additional fees to Deposit Account No. 26-0084.

Reconsideration and allowance is respectfully requested.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Mark D. Hansing', is written over the typed name and address.

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